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Agricultural Situation This Week in Japan 2001

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Report Highlights: A summary of events and developments in the United States' largest export market for agricultural, forestry, and fishery products. This week's highlights include: Mandatory Biotech Labeling of High Oleic Acid Oil; Major Supermarket Retailer Mycal Files for Bankruptcy Protection; Toho Food Service Corporation Expanding Private Brand Business; and ATO/Tokyo Hosts GAF Promotion Team Meeting with Keikyu Department Store.



This Week in Japan

An Update of Major News and Events from the Largest U.S. Agricultural Export Market Volume V, Issue No. 35 September 14, 2001

- i Mandatory Biotech Labeling of High Oleic Acid Oil: The Ministry of Agriculture, Forestry, and Fisheries (MAFF) has decided to introduce mandatory labeling on GM high oleic acid soybeans in processed products. The Office of Agricultural Affairs (FAS/Japan) previously expressed U.S. Government concerns about MAFF's labeling proposal following their notification to the WTO. Following likely implementation in April 2002, "GM high oleic acid soybeans" or "mixed with GM high oleic acid soybeans" must be written on ingredient labels of processed foods containing high oleic acid soybeans. FAS/Japan will update post's GM labeling GAIN report when MAFF's revisions are finalized. (AgAffairs/Tokyo)
- i Major Supermarket Retailer Mycal Files for Bankruptcy Protection: According to a report released on September 14th by the *Nihon Keizai Shimbun* (Japan Economic Newspaper), *Mycal Corporation*, one of the largest Japanese supermarket and general merchandise retailers, will file for protection from creditors under Japan's Corporate Rehabilitation Law later this afternoon. The company had interest-bearing debt of roughly 1.05 trillion yen (more than \$8 billion) on a consolidated basis as of the end of August, which was expected to increase even further. (ATO/Tokyo)
- i Toho Food Service Corporation Expanding Private Brand Business: *Toho Co., Ltd.*, a \$1 billion food service wholesaler and distributor based in Western Japan, has recently developed new private brand products in the United States, including spaghetti and mayonnaise, and is planning to further increase the variety of its private brand lines in the future. In the past, Toho has developed products in other countries as well, such as "natural" lamb and veal from Australia and chicken products from China, in addition to pork and beef from the United States. A subsidiary company of Toho is currently seeking a California winery willing to provide an exclusive export relationship for wines for restaurant use through Toho. ATO/Osaka's presence in Toho food service shows over the past several years has helped American food manufacturers expand the distribution and exposure of U.S. food ingredients throughout Western Japan. (ATO/Osaka)
- i ATO/Tokyo Hosts GAF Promotion Team Meeting with Keikyu Department Store: ATO/Tokyo held a Great American Food (GAF) Promotion Team Meeting on September 5 at its offices in Tokyo with *Keikyu Department Store*, a leading retailer in the Yokohama and Kanagawa regions near Tokyo. The event provided opportunities for 10 U.S. food cooperators and agents to meet directly with *Keikyu* buyers in preparation for a large-scale American Christmas Food Fair planned for December. ATO/Tokyo has worked with *Keikyu* since 1998, and their American food fairs have generated more than \$100,000 in increased U.S. food sales each year. (ATO/Tokyo)
- i **Upcoming Events:** September 18-19, CGC Food Products Annual Exhibition in Yokohama (near Tokyo); September 26-28, Health Ingredients Japan in Tokyo; October 3-4, Japan Foodservice Fair in Tokyo.